### RECEIVED

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

AUG 21 2000

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In the Matter of	KET FILE COP	COPY ORIGINAL	
Do	)		
Review of Commission Consideration	)	IB Docket No. 00-106	
of Applications under the Cable Landing	)		
License Act	)		

### **COMMENTS OF WORLDCOM, INC.**

Kerry E. Murray Scott A. Shefferman Julie M. Kearney 1133 19<sup>th</sup> Street, NW Washington, DC 20036 (202) 736-6064 Its Attorneys

No. of Copies rec'd Of 4
List A B C D E

August 21, 2000

### **TABLE OF CONTENTS**

	Sumi	mary	i	
I.	Introduction			
II.	Guid	Commission Should Follow Certain Pro-Competitive ing Principles in Crafting its Streamlining Rules able Landing Licenses	2	
III.		Commission Should Simplify Its Proposed Streamlining	5	
	A.	The Commission's Proposals are Unneccessarily	_	
	В.	Complex  The Commission Should Propose Simple Bright Line Tests for Cable Landing License Applications		
		1. Presumptively Competitive Routes	10	
		2. Non-Presumptively Competitive Routes		
		b.) Pro-Competitive Conditions	12	
IV.	Stream	mlining Procedures	13	
	A.	The Commission Should Grant Streamlined Applications Within 60 Days	13	
	В.	The Commission Should Issue Licenses for Streamlined Applications by Public Notice Rather Than Through Separate Order	4	
	C.	The Commission's Public Notice Should Contain Certain Essential facts About the Proposed Cable System		
	D.	The Commission Need Not Seek Comments or Oppositions on Streamlined Applications	5	
V.	Routine Conditions			
VI.	Conclusion			

#### **Summary**

WorldCom supports the Commission's efforts to expedite and simplify its procedures for reviewing Cable Landing Licenses. WorldCom believes, however, that the proposed streamlining rules should treat all non-dominant applicants in a non-discriminatory manner. In addition, to create more certainty and predictability, the Commission should adopt simpler bright-line standards for determining streamlined eligibility than those proposed in its NPRM.

With these principles in mind, WorldCom urges the Commission to adopt a simple test – consistent with recent streamlining efforts applying to Section 214 applications and to the International Settlements Policy -- for streamlining Cable Landing License applications.

Specifically, the Commission should create a list of foreign landing points that are considered "presumptively competitive," and streamline all Cable Landing License applications certifying that the foreign landing points on the proposed cable are contained on the list.

For applications that do not meet the "presumptively competitive" standard, applications should still be eligible for streamlined processing where the applicants either: (1) certify that cable stations and backhaul at the foreign-end of the proposed cable are not 50 percent or more controlled by a foreign carrier that is on the Commission's list of carriers with market power; or (2) demonstrate that ownership documents for the proposed cable contain pro-competitive conditions including collocation, backhaul, and capacity upgrade rights.

Finally, WorldCom supports many of the Commission's proposed procedures for review of streamlined Cable Landing License applications, including the Commission's proposal to grant such applications in a public notice no later than 60 days after the application is accepted for filing.

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
	)	
	)	
Review of Commission Consideration	)	IB Docket No. 00-106
of Applications under the Cable Landing	)	
License Act	Ś	

#### COMMENTS OF WORLDCOM, INC.

WorldCom, Inc. ("WorldCom") hereby submits Comments in response to the Commission's Notice of Proposed Rule Making ("NPRM") in the above-referenced proceeding. As explained below, WorldCom applauds the Commission for recognizing the need for streamlined its rules to ensure expeditious and predictable processing of applications filed under the Cable Landing License Act. In so doing, the Commission has acknowledged the importance of rapid submarine cable capacity expansion to ensure that the explosive growth in advanced global communications services, such as Internet and high-speed data transmission, can continue unabated.

WorldCom supports many of the streamlining proposals set forth by the Commission in the NPRM. WorldCom also urges the Commission, however, to simplify the proposed standards that would have to be met before Cable Landing License Applications could qualify for streamlined processing. Otherwise, it is not clear that the Commission's proposed process for licensing undersea cables would be less time-consuming, complex or burdensome than the current procedures.

<sup>&</sup>lt;sup>1</sup>Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Notice of Proposed Rulemaking, FCC 00-210 (rel. June 22, 2000) (hereinafter "NPRM").

#### I. INTRODUCTION

WorldCom is uniquely positioned in the submarine cable market as both a supplier and purchaser of submarine cable capacity. Indeed, WorldCom is an equity owner of numerous cable systems, both "private" and "consortium" systems, and plans to continue investing as an owner in future cable systems. WorldCom also has purchased submarine cable capacity from privately constructed and financed cable systems, and plans to purchase capacity on future systems. Therefore, WorldCom has a strong interest in ensuring that submarine cable licensing provisions – both in the United States and overseas – do not impede the rapid roll-out of cable capacity by as many different competitive entities on as many different routes as possible.

## II. THE COMMISSION SHOULD FOLLOW CERTAIN PRO-COMPETITIVE GUIDING PRINCIPLES IN CRAFTING ITS STREAMLINING RULES FOR CABLE LANDING LICENSES

In the NPRM, the Commission set forth as its objectives: (1) expediting processing of cable landing licensing applications; (2) ensuring that proposed cables are not anticompetitive; and (3) encouraging pro-competitive licensing procedures in other countries.<sup>2</sup> The Commission stated that its streamlining proposals are aimed at balancing these objectives. In considering how best to encourage rapid build-out of the global information infrastructure, while at the same time preventing harm to competition in the provision of submarine cable capacity and backhaul in the United States, the Commission should focus on several additional guiding principles.

First, the Commission should recognize that unnecessary regulatory delay can be harmful to competition in the rapid provision of submarine cable capacity. The Commission should

NPRM at ¶ 3.

therefore strive to eliminate the opportunities for regulatory "gamesmanship" that overly complex and detailed rules can create. Submarine cable technology, and the technologies that ride over the cables, are changing rapidly. Moreover, demand for submarine cable capacity is voracious on many international routes. It is critical that the Commission expedite the cable licensing process, while continuing to ensure provision of submarine cable capacity remains competitive in the United States.

Moreover, in adopting streamlined rules for Cable Landing License applications, the Commission should seek to reduce burdens on both Commission staff and on license applicants, while at the same time guarding against anticompetitive behavior in the submarine cable market. The Commission should recognize that overly complex regulations for determining when an application is eligible for streamlining can burden both the Commission's staff and license applicants. The Commission should take care not to simply shift to an earlier stage of application processing the burdens that currently exist as a result of the need to consider every application in depth and then to draft an order. Such a process is not truly "deregulatory."

Second, any proposed streamlining rules adopted by the Commission should treat all non-dominant carriers alike. That is, the streamlining rules should not handicap certain non-dominant U.S. carriers that are applying for a submarine cable landing license, such as those carriers that own capacity in older, low capacity submarine cables, in relation to newer or emerging carriers. The Commission has not provided any rationale for this distinction in the NPRM, nor is such a distinction sustainable as a matter of law or policy. The Commission should not presume that certain applicants are unfairly advantaged simply because they own more existing capacity than other carriers. There is strong competition in provisioning of

submarine cable capacity in the United States, and the availability of such capacity becomes more robust every day.

In its recent policies, the Commission has found that it need only be concerned about the possibility of competitive distortion where a U.S. authorized carrier is affiliated with a foreign carrier that is dominant in its home market and can leverage its control over essential facilities in that market to effect competition in the United States.<sup>3</sup> The Commission should be consistent with policy in its efforts to streamline Cable Landing Licenses. The Commission should focus on the ability of a dominant foreign carrier on the foreign end of a submarine cable that also lands in the United States to leverage its control over essential cable facilities to harm competition in the United States. The existing capacity owned by an applicant that is a U.S. carrier is not relevant to the Commission's analysis for new cable license applications and should not be the focus of the Commission's streamlining rules.

Third, the Commission's streamlining rules should create as much certainty for Cable Landing License applicants as possible. Indeed, the Commission has acknowledged this guiding principle, noting in the NPRM that its "approach is designed to provide more certainty and flexibility for participants in the [Cable Landing License] application process." However, the most effective method for achieving regulatory certainty for applicants is to adopt a simple bright line test for determining when Cable Landing License applications are eligible for streamlining. Establishing complex and burdensome standards for determining whether an application would be eligible for streamlining makes it harder for applicants to predict how their application will be

See Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 ("Foreign Participation Order").

NPRM at ¶ 3.

treated, and thereby affects decisions on whether to move forward with construction of a cable system or not.

In sum, taking these principles into account will lead to a deregulatory, simple and predictable submarine cable licensing system that will best achieve the Commission's and the industry's goal of "promot[ing] increased investment and infrastructure development by multiple providers" as rapidly as possible. To do otherwise might hinder the rapid and critical build-out of submarine cable capacity needed to keep pace with the explosive growth in global Internet and data services.

### III. THE COMMISSION SHOULD SIMPLIFY ITS PROPOSED STREAMLINING OPTIONS

With these guiding principles in mind, WorldCom believes that the proposed streamlining options in the NPRM should be simplified. As explained below, the proposals contained in the NPRM may add complexity to the Commission's submarine cable licensing process, rather than eliminate it. To be effective and useful, the Commission should adopt bright-line tests that are easy to understand and apply. Therefore, WorldCom proposes an alternative approach that would make the process more simple and predictable while at the same time guarding against potential anticompetitive behavior on submarine cables that land in the United States.

Id.

The Commission's Section 214 streamlining rules have been successful as a regulatory tool because they meet this standard. See discussion *infra*, pages 8-9.

#### A. The Commission's Proposals Are Unnecessarily Complex

In the NPRM, the Commission has proposed three options for streamlining cable landing license applications. First, the Commission proposes to streamline applications where the applicants can demonstrate that there are at least three independently controlled cables on the route that would be served by the proposed cable. Second, the Commission would streamline an application if the applicants can demonstrate that there is "sufficient independence of control" on the proposed cable from existing capacity on the route that would be served by the proposed cable. Third, the Commission would streamline applications where there is evidence of "procompetitive arrangements" in the Construction and Maintenance Agreements or other ownership documents of the proposed cable. If an applicant or applicants for a Cable Landing License does not or cannot provide evidence to meet one of these thresholds, the Commission will review the application on a non-streamlined case-by-case basis, essentially using the same process that it does today.

WorldCom is concerned that these proposed streamlining options are overly complex and unnecessarily burdensome for potential applicants. Indeed, the numerous detailed questions contained in the NPRM regarding each option demonstrate the plethora of issues raised by each proposal. For example, the "competitive route" option raises very difficult issues with respect to the definition of a route (i.e., is a route country-specific, or can it be regional, or does it include

Id. at  $\P \P 25-32$ .

<sup>8</sup> *Id.* at ¶¶ 33-37.

<sup>&</sup>lt;sup>9</sup> *Id.* at ¶¶ 38-50.

See Id. at ¶ 19 ("...if an applicant does not qualify for streamlining, the application would be reviewed on a non-streamlined basis, without prejudice.").

hubbed capacity?), how recently other cables on the route became operational (36 months, or more?), and how to define "control" of a cable (is it based on equity in the wet link, landing station, or control of backhaul? What percentage constitutes control?). Similarly, the "competitive capacity expansion" proposal raises complex issues, among them how to define the "key applicant group."

All of these issues would need to be addressed thoroughly by applicants just to be eligible for streamlined processing. Applicants would be unable to simply certify that they will comply with certain conditions in order to be eligible for streamlining. Indeed, as noted in the NPRM, applicants would be required to make a detailed written argument that they qualify for streamlining supported by "sufficient documentation" from sources such as "cable landing license applications, Commission Orders, the International Bureau's annual Circuit Status Report, the various C&MAs or capacity purchase agreements for the cables, and industry press releases." This documentation would be in addition to the detailed information that already is required in Cable Landing License applications pursuant to Section 1.767(b) of the Commission's rules. The process of determining whether an application qualifies for streamlining could take weeks or even months.

The burdens of demonstrating that an application is eligible for streamlining would be high enough that many applicants may choose to forego streamlining and instead file a much simpler non-streamlined Cable Landing License application, even where an application would otherwise qualify for streamlining under one of the Commission's proposed options. The streamlining rules as proposed in the NPRM could be seriously undermined if applicants are

<sup>11</sup> *Id.* at ¶ 22.

<sup>47</sup> C.F.R. § 1.767(b).

discouraged from taking advantage of streamlining. The rules adopted by the Commission should encourage applicants to use its process whenever an application would be eligible under those rules.

Moreover, the first two streamlining options inexplicably and unfairly favor new entrants over existing carriers. The Commission proposes such preferences even though there is no U.S.-end competitive problem identified in the NPRM. Indeed, while the first two streamlining options focus on existing U.S. capacity ownership and cable station ownership, there is no analysis of why a problem might exist with respect to the U.S.-end applicants on a particular cable. The provisioning of submarine cable capacity and cable station ownership on the U.S.-end, however, is highly competitive, more so than ever before. While WorldCom therefore agrees with the Commission that it is critical to guard against anticompetitive behavior in considering Cable Landing License applications, the focus should be on the potential for abuse of competition through the control of essential facilities at the foreign end rather than on the highly competitive U.S.-end.

WorldCom urges the Commission, therefore, to consider simplifying its test for determining when a Cable Landing License application is eligible for streamlining.

## B. The Commission Should Propose Simple Bright Line Tests for Cable Landing License Applications

WorldCom urges the Commission to adopt a simpler approach to streamlining Cable

Landing License applications. WorldCom suggests an alternative streamlining approach that

There are at least eight different cable landing station owners in the United States, including among others, Cable & Wireless, Sprint, Global Crossing, AT&T and WorldCom. More than fifty entities are licensed to own and operate capacity on submarine cables landing in the United States.

would encourage a greater number of streamlined applications, and that would eliminate unnecessary burdens on applicants and on Commission staff, as well as expediting many more Cable Landing License applications.

Recently, the Commission successfully deregulated its Section 214 authorization and International Settlements Policy rules. <sup>14</sup> The Commission should take an approach to streamlining its submarine cable licensing rules that is consistent with those efforts. Those deregulatory decisions have proven successful because the Commission adopted simple, predictable bright-line standards for determining when streamlining should be applied or regulation should be removed. Thus, in the *Section 214 Streamlining Order*, the Commission adopted a straightforward list of circumstances under which Section 214 applicants would be eligible for streamlining. <sup>15</sup> Applicants need only certify that they meet one of the conditions on the list to qualify for streamlining. No lengthy written arguments or attached documentation are required to demonstrate eligibility for streamlining. Similarly, in the *ISP Streamlining Order*, the Commission adopted a simple bright-line test for determining which U.S. carriers' accounting rate arrangements with foreign correspondents would be subject to regulation. <sup>16</sup> By retaining regulation only of arrangements with those foreign carriers that the Commission has

See 1998 Biennial Regulatory Review – Review of International Common Carrier Regulations, Report and Order, 14 FCC Rcd 4909 (1999) ("Section 214 Streamlining Order"); 1998 Biennial Regulatory Review – Reform of the International Settlements Policy and Associated Filing Requirements, Report and Order and Order on Reconsideration, 14 FCC Rcd 7963 (1999) ("ISP Reform Order").

See Section 214 Streamlining Order, 14 FCC Rcd at 4919, ¶ 22 (stating that applications are eligible for streamlining where, among other things, the applicant either: (1) will serve unaffiliated routes, (2) has a foreign affiliate but the affiliate lacks market power, or (3) certifies that it will comply with dominant carrier safeguards).

See ISP Reform Order, 14 FCC Rcd at 7978, ¶ 43.

specifically identified as having market power in their home markets, U.S. carriers have near certainty regarding where regulation will or will not apply.

Consistent with these bright-line tests recently adopted by the Commission, as described in more detail below, WorldCom proposes that the Commission first adopt a category of presumptively competitive routes. Second, where foreign landing points on a proposed cable are not on the presumptive competitive route list, in order to be eligible for streamlined processing, WorldCom proposes that applicants must either certify that the cable station at the foreign end of the proposed cable is controlled by a non-dominant foreign carrier, or demonstrate that the proposed cable structure contains pro-competitive conditions consistent with option three of the NPRM.

#### 1. Presumptively Competitive Routes

The Commission could create significant certainty and thereby dramatically increase the number of streamlined applications by adopting a list of submarine cable routes that are presumptively competitive. In order for an applicant for a Cable Landing License to obtain streamlined processing, the applicant would certify that the foreign landing point or points of the proposed cable are on the Commission's list of "presumptively competitive routes." This would be a very simple bright line test that would remove regulatory barriers to construction of new cables as rapidly as possible on routes where there are clearly no competitive issues. <sup>17</sup>

WorldCom does not propose a specific mechanism for determining which routes should be placed on the presumptive competitive route list. However, any such mechanism should

Indeed, the Commission sought comment in the NPRM on whether it should entertain petitions for declaratory ruling that certain routes are competitive. *See NPRM* at ¶ 32. WorldCom's proposal essentially asks the Commission to declare certain routes competitive in this or a separate proceeding. WorldCom also would support future findings that a route should be added to the "presumptive competitive route" list via petitions for declaratory ruling.

clearly focus on routes that are served by multiple cables and competitive cable landing and backhaul facilities on the foreign end.

#### 2. Non-presumptively competitive routes

If the foreign landing point or points on a proposed submarine cable is not included on the presumptive competitive route list, then the Commission could find an application eligible for streamlining if it meets another bright-line test. WorldCom suggests the following alternative bright-line tests for non-presumptive competitive route applications.

#### a) Certification of Non-Dominant Control of Foreign-End Facilities

First, the Commission should look at control of the cable landing station and provision of backhaul at the foreign end of the proposed cable. As noted above, the greatest risk of anti-competitive harm on a submarine cable that lands in the United States is posed by control over essential facilities, i.e., the landing station and backhaul, at the foreign end by a dominant foreign carrier. Therefore, the Commission should find any Cable Landing License application eligible for streamlined processing where the applicant or applicants certify that neither the cable landing station or stations nor backhaul at the foreign end are 50 percent or more controlled by a carrier with market power in the relevant foreign market. In determining whether a foreign entity has market power, the applicant could refer to the Commission's existing list of foreign carriers with market power that is available on the Commission's Website.<sup>18</sup>

In the *ISP Reform Order*, the Commission found that risks of anticompetitive effects from allowing U.S. carries to enter into unregulated commercial settlement rate arrangements

See List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets, DA 99-809, June 18, 1999, available at <a href="https://www.fcc.gov/Bureaus/International/Public\_Notices/1999/da990809.txt">www.fcc.gov/Bureaus/International/Public\_Notices/1999/da990809.txt</a>.

with non-dominant foreign carriers was slight because such carriers lack market power. <sup>19</sup> Similarly, where a carrier that lacks market power at the foreign end of a cable controls the landing station and/or backhaul, it would not have the ability to leverage that control to act anticompetitively in the relevant submarine cable route. Therefore, the Commission should assume that such proposed cables are in the public interest and should be subject to streamlined processing.

#### b) Pro-Competitive Conditions

Second, if the applicant cannot or does not certify either that the foreign landing points are presumptively competitive or that the foreign landing stations and backhaul are controlled by a non-dominant foreign carrier, then the Commission should permit the applicant to make a showing that the proposed cable contains pro-competitive conditions. Such a streamlining option, while more burdensome than the bright-line presumptions described above, would provide an opportunity for streamlining where the proposed cable would, for example, serve a thin route or include landing station owners that have market power in their home markets. This showing would be consistent with the Commission's "pro-competitive arrangements" option in the NPRM.<sup>20</sup>

In order to qualify for streamlining under this test, WorldCom agrees with the Commission's proposals that applicants should demonstrate that the ownership documents ensure sufficient collocation at the cable landing stations, provide direct access to their capacity ownership in the system, and do not restrict who can provide backhaul.<sup>21</sup> Moreover, WorldCom

<sup>19</sup> ISP Reform Order, 14 FCC Rcd at 7975, para. 36.

NPRM at ¶¶ 38-50.

<sup>&</sup>lt;sup>21</sup> See id. at ¶ 41.

agrees with the Commission's proposal that the applicants should demonstrate that the proposed cable ownership documents allow the capacity of a cable to be upgraded, where upgrades are technically feasible, by either a 51 percent vote of the owners or any group of owners voting to fully fund the cost of the upgrade.<sup>22</sup> Also, the applicants should be required to demonstrate that there are no unreasonable restrictions on the resale, lease or transfer of capacity, or any other transfer of an owner's rights in the cable, to third parties.<sup>23</sup> Finally, the applicants should demonstrate that the proposed cable does not contain restrictions on the use of wholly owned circuits by owners or third parties.

#### IV. STREAMLINING PROCEDURES

WorldCom agrees with many of the Commission proposals regarding procedures for processing streamlined cable landing license applications.

#### A. The Commission Should Grant Streamlined Applications Within 60 Days

WorldCom strongly agrees with the Commission's proposal to grant streamlined applications within 60 days from the date the International Bureau issues a public notice accepting the application for filing. This timeframe is consistent with the Commission's Section 214 streamlining process. It also is consistent with the Commission's efforts to reduce regulatory delay. As noted in the NPRM, "the Section 214 streamlining process has been, and

See id. at  $\P$  47.

See id. at  $\P$  48.

continues to be, successful in expediting regulatory processing and enhancing the competitiveness of service providers in the global communications marketplace."<sup>24</sup>

### B. The Commission Should Issue Licenses for Streamlined Applications by Public Notice Rather Than Through a Separate Order

WorldCom also strongly supports the Commission's proposal to grant licenses for streamlined applications by Public Notice, rather than by issuing an order.<sup>25</sup> If the Commission is satisfied that an application qualifies presumptively for a grant on a streamlined basis, then the issuance of an order is redundant and unnecessarily delays the grant. Moreover, by eliminating the need to draft routine orders, the Commission would conserve valuable staff time and resources that could be devoted to other critical matters.

The Commission's process for granting Section 214 authorizations should be used as a model in developing a streamlining process for cable landing licenses. Section 214 applications that are granted on a streamlined basis are not issued by an order. Rather, the Public Notice of the grant represents the applicant's Section 214 certificate. This efficient process enables companies to plan for entry into the market immediately upon issuance of the Public Notice. The Public Notice clearly meets the Cable Landing License Act requirement of a "written license" because the Public Notice is itself a writing and constitutes a governmental authorization. Further written documentation is superfluous.

Indeed, WorldCom supports a shorter processing window, such as 30 or 45 days, and urges the Commission to take whatever steps are necessary to achieve this.

NPRM at ¶ 56.

### C. The Commission's Public Notice Should Contain Certain Essential Facts About the Proposed Cable System

WorldCom agrees that a Public Notice granting a submarine cable landing license should list the location of landing points for the proposed cable, as well as the initial capacity and design of the system. As the Commission aptly notes in the NPRM, the industry relies on information regarding location of landing stations. <sup>26</sup> This information is important to companies that are planning to build new cable systems or augment existing systems. It also helps companies to determine where opportunities exist to purchase capacity on other systems or to identify colocation opportunities. For the same reason, WorldCom recommends that a Public Notice should identify the owners and their relative ownership percentages in the cable, as well as foreign affiliations. As the Commission recognized in a recent Cable Landing License decision, certain competitive concerns may need to be addressed where the applicant is affiliated with a foreignend owner of capacity or cable stations. <sup>27</sup>

## D. The Commission Need Not Seek Comments or Oppositions on Streamlined Applications

WorldCom recommends that the Commission decline to routinely seek comment on competitive or other issues, consistent with its recent procedures for streamlining Section 214 applications. In its *Section 214 Streamlining Order*, the Commission reaffirmed its finding that "applications that qualify for streamlined processing do not generally raise public interest issues

See id.

See Telefonica SAM USA, Inc. and Telefonica SAM de Puerto Rico, Inc., SCL-LIC-20000204-00003, Cable Landing License, DA 00-1826 (Int'l Bur., Aug. 10, 2000).

and that existing safeguards and regulations, rather than denial of applications, will be sufficient to prevent anticompetitive effects in the U.S. market."<sup>28</sup>

Similarly, in cases where comments or oppositions to a streamlined Cable Landing
License application are filed, the Commission should not delay grant of the license. This
practice has been successfully implemented in processing Section 214 authorizations and directly
supports the Commission's conclusion that it is no longer necessary or in the public interest to
deny streamlined processing to an application that has been opposed because there is meaningful
economic competition in the international telecommunications marketplace.<sup>29</sup>

Cable landing license applications that are subject to streamlining are presumed to be in the public interest; therefore, only in rare circumstances would an application warrant the Commission's consideration of comments from the public. In fact, the Commission noted in its *Section 214 Streamlining Order* that the likelihood that the Commission would consider a competitive or other issue raised by a commenter sufficiently serious to warrant denying a streamlined application is "so remote that the potential benefits of seeking such comment are outweighed by the real benefits of eliminating the possibility that such comments would render an application ineligible for streamlining."<sup>30</sup>

WorldCom agrees with the Commission's conclusion in its *Section 214 Streamlining*Order that the "real benefits" include "a shorter period of time from filing an application to grant of the application and, significantly, the added certainty that an applicant would have as a result of knowing that its application cannot be held up by a vaguely drafted petition to deny filed by

See Section 214 Streamlining Order, at 4914, ¶ 13.

<sup>&</sup>lt;sup>29</sup> *Id*.

Id.

its competitors."<sup>31</sup> WorldCom supports any proposal that would prevent an applicant's competitors from unnecessarily delaying time-sensitive plans to construct new cables. WorldCom agrees that the existing safeguards and regulations, rather than denial of applications, will be sufficient to prevent anticompetitive effects in the U.S. market. At most, the Commission should reserve the right to remove, where necessary and in very rare instances, applications from streamlined processing by so notifying the applicant within 60 days of filing.

#### V. ROUTINE CONDITIONS

Finally, the requirement that a licensee notify the Commission of its acceptance of conditions within 30 days after the grant of the license should be eliminated. WorldCom agrees that the Commission should adopt a negative option whereby the license automatically takes effect within 30 days after grant of the application unless the applicant notifies the Commission that it does not accept the terms and conditions of the license. This proposed change is consistent with the Commission's efforts to streamline the licensing process and to eliminate unnecessary burdens on both the licensee and Commission staff.

<sup>31</sup> *Id*.

#### VI. CONCLUSION

In sum, WorldCom supports the Commission's objectives of expediting and simplifying its submarine cable landing license process. As explained above, WorldCom supports many of the proposals contained in the NPRM. WorldCom generally supports the Commission's proposal to establish a category of applications that would be eligible for expedited streamlined treatment. Moreover, WorldCom strongly agrees with the Commission's proposal to grant streamlined Cable Landing License applications within 60 days, and the tentative conclusion that the filing of comments or oppositions should not delay the grant of such applications.

In WorldCom's view, however, the specific thresholds for streamlining eligibility proposed in the NPRM are too complex. WorldCom therefore respectfully submits that the Commission should adopt a simpler bright-line test, consistent with its other streamlining orders, for determining which Cable Landing License applications should be eligible for streamlined treatment.

Respectfully submitted,

WORLDCOM, INC.

By:

Kerry E. Murray Scott A. Shefferman Julie M. Kearney

1133 19<sup>th</sup> Street, NW Washington, DC 20036 (202) 736-6064 Its Attorneys

August 21, 2000

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments of MCI WorldCom, Inc. IB

Docket 00-106 was served by hand delivery (indicated by \*) or U.S. First Class mail, this 21st day of August, 2000 on:

Billie Rickert

Donald Abelson, Chief\*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Ari Fitzgerald\*
International Bureau
Federal Communications Commission
445 12<sup>th</sup> Streeet, S.W.
Washington, DC 20554

Rebecca Arbogast\*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Jackie Ruff\*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Elizabeth Nightingale\*
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554